

Federal Deposit Insurance Corporation

§ 344.2

Termination Notice for Municipal Securities Principal or Municipal Securities Representative Associated with a Bank Municipal Securities Dealer”, completed in accordance with the instructions contained therein.

(d) A bank municipal securities dealer which files a Form MSD-4, Form MSD-5, or an amending statement with the Corporation under this part shall retain for its own records a copy of each such Form MSD-4, Form MSD-5, or amending statement for at least three years after termination of the associated person with respect to whom the filing was made.

(e) Forms MSD-4, Forms MSD-5 and amending statements are to be filed with Director, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429. The date that the Corporation receives a Form MSD-4, Form MSD-5, or amending statement shall be the date of filing. A Form MSD-4, Form MSD-5, or amending statement which is not prepared and executed in accordance with the applicable requirements may be returned as unacceptable for filing. Acceptance for filing shall not constitute any finding that a Form MSD-4, Form MSD-5 or amending statement has been completed in accordance with the applicable requirements or that any information contained therein is true, current, complete or not misleading. Every Form MSD-4, Form MSD-5, or amending statement filed with the Corporation under this part shall constitute a filing with the Securities and Exchange Commission for purposes of section 17(c)(1) of the Act (15 U.S.C. 78q(c)(1)) and a *report, application, or document* within the meaning of section 32(a) of the Act (15 U.S.C. 78ff(a)). Forms MSD-4 and MSD-5 can be obtained from the FDIC regional office for the area in which the bank is located.

[42 FR 40891, Aug. 12, 1977, as amended at 45 FR 37179, June 2, 1980; 60 FR 31384, June 15, 1995]

PART 344—RECORDKEEPING AND CONFIRMATION REQUIREMENTS FOR SECURITIES TRANSACTIONS

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AUTHORITY: 12 U.S.C. 1817, 1818 and 1819.

SOURCE: 62 FR 9919, Mar. 5, 1997, unless otherwise noted.

§344.1 Purpose and scope.

(a) *Purpose.* The purpose of this part is to ensure that purchasers of securities in transactions effected by a state nonmember insured bank (except a District bank) or a foreign bank having an insured branch are provided adequate information regarding transactions. This part is also designed to ensure that banks subject to this part maintain adequate records and controls with respect to the securities transactions they effect.

(b) *Scope; general.* Any security transaction effected for a customer by a bank is subject to this part unless excepted by §344.2. A bank effecting transactions in government securities is subject to the notification, recordkeeping, and policies and procedures requirements of this part. This part also applies to municipal securities transactions by a bank that is not registered as a “municipal securities dealer” with the Securities and Exchange Commission. See 15 U.S.C. 78c(a)(30) and 78o-4.

§344.2 Exceptions.

(a) A bank effecting securities transactions for customers is not subject to all or part of this part 344 to the extent that they qualify for one or more of the following exceptions:

(1) *Small number of transactions.* The requirements of §§344.4(a) (2) through (4) and 344.8(a) (1) through (3) do not apply to a bank effecting an average of fewer than 200 securities transactions per year for customers over the prior three calendar year period. The calculation of this average does not include transactions in government securities.